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Sent: Sunday, March 29, 2015 3:38 PM
To: AppTestimony
Cc: Sen. Linares, Art; Rep. Miller, Philip; mschlag@haddam.org
Subject: SB816 "An Act Establishing a Minimum Level of Funding Under the Education Cost Sharing Grant Formula."

Appropriations Committee,

Education Cost Sharing (ECS) was intended to equalize the cost of education in different towns within Connecticut. It was created to allocate funds to towns based on factors that include the cost of education borne by each local town, the income levels of its residents, the tax base and the needs of the particular town for education. Based on this, and assuming proper use of current numbers, ECS should fairly apportion resources and ease the costs of education borne by different towns.

The formula to apportion ECS funds has been abandoned and funding is presently based on a mechanism that results in wide discrepancy without explanation. Since 2009, the ECS formula has been over-ridden by legislative budget acts. In past years, Haddam has received an unjustifiably low allocation resulting in a significant burden on the residents through increased property taxes. There are towns that receive lower ECS funding than Haddam. However, these towns have significant funding resources, either in terms of industrial and business tax bases or a large grand list. The bias against Haddam does not appear to have been addressed since the 2000 Census at which time CT Yankee Power Station contributed significantly toward the real estate tax base. This is not longer the case. There is no industrial base and employment opportunities are limited. Moreover, Haddam lacks a large grand list on which real estate taxes are imposed. The removal of the Connecticut Yankee facility approximately 10 years ago resulted in a significant reduction in the town's base of real estate tax collections.

The level of ECS grant made to Haddam is even more disproportionate when you look at us compared to other towns. The Connecticut Department of Education lists Haddam as 73rd on the state's list with a wealth level of \$224 million, while Killingworth is listed as number 51 with a wealth level of \$268 million and East Haddam is listed as number 70 with a wealth level of \$231 million. The rationale should be to make a larger contribution to the towns with a lower level of wealth but the ECS allocation achieves the complete opposite result. The State's own wealth index would dictate a higher allocation of ECS funds to Haddam. This has not been the case. East Haddam receives almost 2 million dollars more than Haddam!

Please take a step towards fixing this discrepancy. SB816 "An Act Establishing a Minimum Level of Funding Under the Education Cost Sharing Grant Formula." Please amend section 10-262h of the general statutes be to require that no town shall receive less than fifty per cent of the education cost sharing grant adjusted fully funded formula.

Heather Pach